

RIDER A—SPECIAL PROVISIONS

1. INVOICES

The Contractor shall render invoice in triplicate to the name and address contained in the “BILL TO” box on each order form (STD. 65) The following is required for all invoices:

- State Contract Number
- State Order Number
- Agency Name
- Agency Address
- Agency Billing Code
- Description and quantity of pagers ordered
- Appropriate Pricing Information

2. ORDERING PROCEDURES

The State contact for administration of this contract is named below. The Contractor shall submit all required reports and questions regarding this contract to:

Department of General Services

Procurement Division, Major Acquisitions Unit, MSA Coordinator

1823 14th Street

Sacramento, Ca. 95814

3. ORDER REPORTING REQUIREMENTS

The Contractor shall deliver to the State, no later than the fifteenth (15th) working day of the month following the period for which the order or orders were placed, a management report summarizing information for each agency and each order within the reporting period. Reports are to be provided monthly unless otherwise indicated by the State. The report is to be sorted by agency name then by date. Each line of the report should represent one STD 65 transaction and contain the following information in the following order:

- Agency Billing Code
- Agency Name
- Agency Location
- STD. 65 agency order number
- Date of STD 65
- Equipment description and quantity
- Service ordered by category and geographical zone
- Total dollar value of the STD. 65
- The State would prefer to receive these reports electronically using Email and Microsoft Excel 97

4. PRICE DECLINE (Applicable to Third Party Contractors)

Prices quoted shall be the maximum for the contract period subject to any price escalation provisions. However, should a price decline be announced by the manufacturer after contract award, but prior to a third party contractor taking title to the equipment; and should the third party contractor be the recipient of this manufacturer's price decline; it shall be passed on in total to the State of California by the third party contractor. Any interest, finance, or other charges based on the contract price will be recomputed using the original bid rates and the differences will also be passed to the State in total.

5. PRICE DECLINE (Applicable to Manufacturers)

Prices quoted shall be maximum for the contract period subject to any price escalation provisions. However, should the manufacturer announce a price decline after contract award, but before the State taking title to the equipment, it shall be passed on in total to the State of California by the manufacturer. Any interest, finance, or other charges based on the contract price will be recomputed using the original bid rates and the differences will also be passed to the State in total.

6. SPECIAL REGULATIONS AND POLICIES

Any State agency as well as local government agencies may use this Master Contract. The Contractor must be aware of and adhere to any special regulations and policies that government agencies may have, including hiring and admittance requirements such as the State Department of Corrections may have.

7. FEDERAL FUNDING

It is mutually understood that orders may involve Federal funding. If sufficient funds are not made available by Congress to the agency submitting the order, the agency has the option to void the order under a thirty (30) day cancellation provision or to amend the order to reflect any reduction of funds.

8. OPTION TO EXTEND

The State, at its option, may extend the three (3) year term of this contract on a years to year basis for up to two additional years by amending the contract.

9. ESCALATION OF CONTRACT COST FOR YEARS FOUR AND FIVE (if contract is extended)

Before the end of the third year of the contract, the State will notify the Contractor that the State plans to extend the existing contract one additional year. The Contractor may escalate their rates on this contract by the escalation amount (a percentage, i.e. 2.5%) indicate on the RFP's Cost Worksheets, however, the percentage of discount will remain the same. If the escalation rate is blank on the Cost Worksheet, the State will assume a zero escalation rate.

Before the end of the fourth year of the contract, the State will notify the Contractor if the State plans to extend the existing contract for one additional year (year five). If extended, the escalated rates for year four will use for year five. The maximum escalation allowed will be 5%. If the escalation is greater than 5%, the State will adjust the escalation to 5%.

10. NONDISCRIMINATION CLAUSE

During the performance of this contract, Contractor and its subcontractors shall not unlawfully discriminate, harass or allow harassment, against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, disability (including HIV and AIDS), medical condition (cancer), age, marital status, denial of family and medical care leave and denial of pregnancy disability leave. Contractors and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Contractor and subcontractor shall comply with the provisions of the Fair Employment and Housing Act (Government Code, Section 12900 et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285.0 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations are incorporated into this contract by reference and made a part hereof as if set forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

This Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the contract

11. SETUP, ACTIVATION AND ONE-TIME CHARGES

All contractor related setup, activation and other one-time charges will be waived for the term of this contract.

The contractor may charge for setup, activation and one-time charges for third party services, such as dispatch services, computer based applications etc. These third party charges must to be identified and included in the appropriate Rider B 1, 2, & 3. The corresponding rate factor will not be applied to these third party one-time and setup charges

12. WARRANTY

All new pagers and accessories shall have a one-year parts and labor warranty.

13. BLANKET INSURANCE PROGRAM FOR LOST OR STOLEN RENTAL ITEMS

The contractor agrees to provide a blanket insurance program, if requested by an agency, for replacing lost or stolen pagers. The blanket insurance program requires the agency to insure ten percent (10%) of the pagers rented at the

commencement of the contract and annually thereafter, at the agency option, at a monthly rate specified in the contractor's bid. If a pager is lost or stolen, the agency will notify the contractor of the loss in writing, with a copy of a police report (if applicable), requesting a replacement pager. The contractor will replace the pager within 2 business day after receiving notice from the agency. If a replacement pager is not received within 6 business days, after the State's request, the State will be credited with one (1) month's credit for the rental and/or airtime on their next billing period for that pager. If the replacement is not received after the above time frame, the State will again contact the contractor and document in writing another request. If a replacement is not received within 6 business days, after the State's subsequent request, the State will be credited an additional one (1) month credit on their next billing period for that pager. This process will be continued until the replacement is received. If the user's business address is beyond a 30-mile radius of a contractor's business address the contractor will ship a replacement prepaid to the user's business address.

If the contractor leaves the monthly blanket insurance rate blank on the Cost Worksheet(s), the State will assume that there is no cost to the State for this blanket insurance program. The contractor's per unit Blanket Insurance rate is the maximum the contractor may charge the agency.

Example: Assume Caltrans has a pager contract for each district. It would be up to each district to determine if they want the blanket insurance contract. The 10% would be based on each district's total number of pagers not the total number of pagers for Caltrans. Additionally, each district may choose to have a pager contract for various units within the district and the unit may determine if they want the blanket insurance contract. The 10% would be based on each unit's total number of pagers not the districts total number of pagers etc.

If the pagers is later found it will be returned to the contractor.

14. PURCHASE OPTIONS

If the agency desires to purchase a pager on rental, the contractor will apply a percentage of the monthly rental (as specified on the Cost Worksheet) toward the purchase of the pager. The maximum rental accrual shall not exceed fifty percent (50%) of the price the agency would have paid if the item was originally purchased. For example if the contractor's published retail price was \$100 and the rate factor for purchase was .7, the cost to the agency would be \$70. The maximum rental credits that could be accrued would be \$35. Therefore, the agency would pay the difference between the cost to the agency, \$70 and the accrued purchase credits.

The purchase option percentage specified on the Cost Worksheet for Rental and Rental/Airtime will be the same for all items offered for rental and will be the same for all districts and products bid. The purchase option percentage specified is the minimum percentage the contractor may allow.

15. BILLING OPTIONS

Each government agency using this Master Services Agreement may have different billing needs. It is the contractor's responsibility to work with and to provide the agency a billing system that meets the agency's needs. At a minimum, the contractor's billing should provide billing by entire agency, billing by individual departments within the agency and billing by individual accounts within the agency.

16. MAINTENANCE OF RENTAL EQUIPMENT

The contractor shall maintain all pagers they have rented to the State. If a pager needs repair and there is no repair facility within a 30-mile radius of the user's business address, the user must be able to call the contractor and request a loaner/replacement. The contractor shall, within 2-business days send a loaner/replacement pager prepaid to the user's business address along with the appropriate prepaid packaging to allow the user to return the pager, in need of repair, to the contractor. If applicable, the contractor will repair the pager and return it prepaid back to the user's business address along with the appropriate prepaid packaging to return the loaner. If a loaner/replacement pager is not received within 6 business days, after the State's request, the State will be credited with one (1) month's credit for the rental and/or airtime on their next billing period for that pager. If the loaner/replacement is not received after the above time frame, the State will again contact the contractor and document in writing another request. If a loaner/replacement is not received within 6 business days, after this State's subsequent request, the State will be credited an additional one (1) month credit on their next billing period for that pager. This process will be continued until the loaner/replacement is received.

The State will make every effort to promptly return the pager in need of repair or the loaner pager. If the State does not return the pager for repair within 15 business day after receiving a loaner/replacement or return the loaner within 15 business days after the repaired pager is received, the contractor shall contact the person who requested the loaner/replacement by phone and follow-up the contact in writing, that the pager in need of repair or loaner has not been returned and needs to be returned immediately. If the pager in question is not returned after an additional 15 business day from the contact date, the contractor may bill the agency a \$5.00 administrative charge for the pager in question for each 30 days beyond the period described above until the pager is returned or until maximum of \$100 administrative charges for the pager in question have been paid. The contractor must, in writing and by phone, continue to contract every 30 days, the person who requested the replacement to resolve the problem. When a maximum of \$100 administrative charges for the pager in question has been paid the contractor will consider the pager in question to be owned by the State and stop any additional administrative charges. The monthly rate will continue during this time to cover services being provided unless cancelled. Both parties shall make every effort to minimize the costs to both parties. The cost of maintenance, mailing and the process described above, except for the \$5.00 administrative charge, shall be included in the monthly rental the State pays.

Additionally, the contractor must provide free battery replacement for all pager rented from the contractor.

17. FCC RATE CHANGES

If the Federal Communication Commission or other similar government agency imposes a change in regulations that affect the rate(s) the contractor has quoted the State, the contractor may petition the State to change their rate(s) by the percentage of change caused by the change in government regulations. The State will review the petition and will have the final determination as to whether the contractor's rate(s) may be changed.

18. TRAINING

The contractor will work with the agency and user(s) to provide the appropriate training and instruction booklets for the contracted the pager(s) and/or paging service. The agency and contractor shall mutually agree upon the training location.

19. PAGING SERVICE

The contractor shall provide an average of 23.5 hour a day uninterrupted paging service for each district the contractor was awarded a contract to provide service in.

20. MAXIMUM PRICING

The contractor's rate factor multiplied by the contractor's price on Riders B 1, 2 & 3 are the maximum per unit cost the contractor may charge the State for pagers and/or pager services.